



TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

FOR SETTLEMENT PURPOSES ONLY.
THIS LETTER DOES NOT CONSTITUTE AND SHOULD NOT BE CONSTRUED AS A
REVOCATION OF THE OCTOBER 6, 2020 TERMINATION LETTER.

October 7, 2020

The Honorable Sylvester Turner, Mayor
City of Houston
901 Bagby Street, 4th Floor
Houston, TX 77002

Re: Proposed terms for a new City of Houston Hurricane Harvey CDBG-DR subrecipient agreement

Dear Mayor Turner:

In HUD's approval of Action Plan Amendment No. 7, HUD directed the Texas General Land Office (GLO) and the City of Houston to "work together to prevent or mitigate disruption to households and businesses participating in recovery programs" . . . and "execute a transition plan . . . to ensure no negative impact to disaster survivors." To that end, and in consideration of the City of Houston's performance of certain programs under Hurricane Harvey subrecipient agreement No. 19-147-001-B489, now terminated, the GLO believes that the execution of a new subrecipient agreement with the City of Houston would represent the best path forward to timely assist City of Houston residents. The GLO would consider allowing the City of Houston to administer certain programs with which it achieved some degree of success under the terminated agreement in order to complete approved projects and ensure minimal disruption of any recovery efforts already in process. If the City were to agree to this approach, it would require the drafting of a new Action Plan amendment for HUD approval that would allow the GLO to issue new subawards under the Hurricane Harvey CDBG-DR allocations.

Under this proposal, the City of Houston would receive grant funds in the following amounts to administer the identified programs:

CITY OF HOUSTON PROGRAM BUDGETS

Program	Total
Homeowner Assistance Program	\$72,184,208
Multifamily Rental Program	\$350,050,472
Homebuyer Assistance Program	\$23,688,328
Buyout Program	\$7,339,352
Public Services	\$15,476,968
Houston Planning	\$11,380,000

Houston Administration	\$10,911,803
Total	\$ 491,031,131

To drive progress under the new agreement, the GLO has established program benchmarks, shown in the table below, that the City of Houston would have to meet to demonstrate its ability to complete all work, submit all draws, and be fully reimbursed before August 2024. The GLO would monitor achievement of these benchmarks by program. If the City of Houston were unable to meet the designated benchmarks as scheduled, then the GLO could remove programs under the new agreement to ensure unspent funds are not returned to HUD.

PROGRAM BENCHMARKS

Benchmark by Program	Deadline
15% of Program funds drawn by Subrecipient	Q2 2021
30% of Program funds drawn by Subrecipient	Q4 2021
45% of Program funds drawn by Subrecipient	Q2 2022
60% of Program funds drawn by Subrecipient	Q4 2022
75% of Program funds drawn by Subrecipient	Q2 2023
90% of Program funds drawn by Subrecipient	Q4 2023
100% of Program funds drawn by Subrecipient	Q2 2024

For the programs the GLO assumed under State Action Plan Amendment 7, the City of Houston must provide the GLO with all program information in its possession, including applicant data and project files.

The GLO strongly believes that a new partnership with the City of Houston would be the most expeditious approach to supporting Hurricane Harvey recovery for city residents. You are requested to inform the GLO of the City of Houston's interest in discussing the proposed arrangement no later than October 14, 2020.

Sincerely,



Mark A. Havens
Chief Clerk/Deputy Land Commissioner

cc: Heather Lagrone, Senior Deputy Director, Community Development and Revitalization